



NBG Securities



ALPHA BANK

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## **ANNOUNCEMENT REGARDING THE TARGET MARKET FOR THE BONDS ISSUED BY GEK TERNA TO BE LISTED FOR TRADING ON ATHENS EXCHANGE**

By virtue of article 9 of the decision No. 1/808/7.02.2018 of the Board of Directors of the Capital Market Commission, the Joint Coordinators and Bookrunners for the Public Offer of Bonds of the company GEK TERNA S.A. through issuance of a common bond loan of a total amount of up to €120 million, namely National Securities S.A., ALPHA BANK S.A., Piraeus Bank S.A. and Eurobank Ergasias S.A., hereby announce that they have made an assessment of the target market for the Bonds as follows:

- (i) The target market for the Bonds is: eligible counterparties, professional clients and retail clients, each as defined in law 4514/2018 as in force, at least with basic knowledge and experience in investment products and services, with limited ability to bear losses in respect of the funds invested, low risk tolerance, with an appropriate investment horizon up to seven (7) years (namely until the due date of the Bonds) and investment objective the preservation of funds invested or income and/or the development of the funds.
- (ii) All channels for distribution of the Bonds (namely investment advice, portfolio management, reception/transmission of order, execution of order) are considered appropriate for clients of the target market.

# GEK TERNA

GROUP OF COMPANIES

After the successful launch of a 60-million euro bond last year, TERNA ENERGY and GEK-TERNA Group "strike" again. According to secure information, these days, a 120-million-euro bond is being prepared. At the moment, GEK-TERNA has submitted its final information bulletin which is expected to be approved by the Capital Market Commission. After that and depending on the date of the decision, registrations will start.

The desired interest rate is estimated at 4-4.25%. It is reminded that last year's bond yields was set at 3.85%, similar to its interest rate. However, there is an optimism that this year's bond will perform even better, after last year's "green bond" success. According to company executives, these funds will contribute to the Group's investment plan in multiple areas of its activity, ranging from constructions to energy, real estate as well as refinancing part of its loans.

Today the Group's backlog is about 1.8bn euros, a significant part of which concerns the under-construction lignite-powered plant of PPC in Ptolemaida. This number is expected increase even more if we add in the pipeline Kastelli Airport in Crete and the PPP project for a new Waste Treatment Plant in Peloponnese, both of which will reach a stunning 1.3bn euros, propelling the total backlog of the Group at over 3bn euros. It is noted that more large-scale prospective projects could be added in the above-mentioned list (e.g. Athens Metro Line 4, Salamina Underwater Road Tunnel, Crete's Northern Motorway Axis etc.).

The press release of the company, (dated 19.03):

GEK TERNA pursuant to L. 3556/2007 and Regulation (EC) 596/2014, informs the investment community that, according to the meeting of its Board of Directors dated 16.03.2018, it resolved on the issuance of a common bond loan pursuant to L. 3156/2003 and C.L. 2190/1920, of a minimum amount of 90,000,000 up to a maximum amount of 120,000,000, the placement of the bonds through a public offering and their admission for trading on the Regulated Market of the Athens Exchange under the Fixed Income Securities segment.

## GEK Terna raises 120 million euros via seven-year bond issue.

The issue of GEK Terna's new seven-year bond this week was a profound success, with the Athens-listed group raising 120 million euros at a rate of 3.95 percent.

The bond saw such a high degree of oversubscription that the amount collected was near 250 million euros. This constitutes a clear sign of investor confidence in the long-term prospects of the Greek construction and energy group.

The company's plans for the use of the capital drawn cover several sectors of its activity, but the emphasis is on two areas: The sector of project concessions and the servicing of the existing loans.

As GEK Terna announced in its bulletin for the bond issue, it is planning to set up a subsidiary – provided its creditor banks extend their approval – that will obtain all the holdings that the group has in concession companies, such as Nea Odos and Olympia Odos. In the future it will also include the group's holding in the consortium to undertake the new airport at Kastelli on Crete.